PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, July 30, 2009

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar.

Minutes

The Commission approved the minutes of the Open Meeting of Thursday, July 16, 2009.

5-ES-105 – Strategic Energy Assessment for the Years January 1, 2010, Through December 31, 2016

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4660-ER-104 – Application of Pioneer Power and Light Company for Authority to Change Electric Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5630-ER-104 – Application of the City of Spooner, Washburn County, as an Electric Public Utility, for Authority to Change Electric Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6400-ER-102 – Application for the City of Westby, Vernon County, Wisconsin, as an Electric Public Utility, for Authority to Change Electric Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6690-DE-101 – Application of Wisconsin Public Service Corporation for Certified Book Amortization Life and Amortization Rate for Account 340 - Land Rights

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

Minutes and Informal Instructions of the Open Meeting of Thursday, July 30, 2009 Page 2

5-TI-1947 – Proposed Rescission of Multiple Alternative Telecommunications Utility Certifications for Failure to File a 2008 Annual Report

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6720-TI-219 – Complaint of Chibardun Telephone Cooperative, Inc., and CTC Telcom, Inc., Against Wisconsin Bell, Inc., d/b/a AT&T Wisconsin

The Commission approved the Notice of Proceeding and Order and directed it be signed by the Secretary to the Commission on behalf of the Commission.

Commissioner Azar recused herself from this agenda item.

700-WR-103 – Application of Brandon Sewer and Water Utility, Fond du Lac County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5835-WR-104 – Application of the Village of Sussex Water Public Utility, Waukesha County, Wisconsin, for Authority to Increase Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6725-RW-150 – Tolls to be Charged for the Wisconsin Valley Improvement Company for the Six Month Period Ending June 30, 2009

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-AE-177 – Application of American Transmission Company LLC and Wisconsin Public Service Corporation for Approval of a Capacitor Lease Agreement

The Commission approved the Final Decision and directed it be signed by the Secretary to the Commission on behalf of the Commission.

Minutes and Informal Instructions of the Open Meeting of Thursday, July 30, 2009 Page 3

6680-CE-173 – Application by Wisconsin Power and Light Company to Construct up to 200 MW of Wind Generation to be Called Bent Tree Wind Farm, in Freeborn County, in South Central Minnesota

The Commission approved the Final Decision and directed it be signed by the Secretary to the Commission on behalf of the Commission.

Start-up Funding for Intervenors

The Commission considered a recommendation to change how it awards intervenor compensation.

The Commission may provide some of the intervenor compensation funds as seed money in order to allow intervenors to participate earlier in Commission proceedings.

The Commission directed staff to produce a list of pending proceedings, early in each fiscal year, to be considered for awarding seed money. Intervenors will then be invited to submit requests for seed money, and the Commission will make its selections among the competing requests.

5-EI-148 – Investigation on the Commission's Own Motion Regarding Advanced Renewable Tariff Development

1-IC-409 – Application for Intervenor Compensation Filed by RENEW Wisconsin for \$10,700 to Participate in Docket 5-EI-148

Request for Supplemental Intervenor Compensation Filed by RENEW Wisconsin for \$8,900.88

The Commission approved the request for supplemental intervenor compensation filed on behalf of RENEW Wisconsin, awarding the amount of \$8,900.88, for participation in docket 5-EI-148.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

5-GF-187 – Smart Grid Grant Proposals from Wisconsin

The Commission directed staff to draft a letter of support to the U.S. Department of Energy (DOE) for all of the federal Smart Grid grant applications being filed on behalf of Wisconsin utilities and cooperatives.

Minutes and Informal Instructions of the Open Meeting of Thursday, July 30, 2009 Page 4

The Commission directed that the letter shall be signed by all three of its members and sent to the DOE before the close of business on July 30, 2009.

2180-TI-147 – Administration of the Mechanism of Price Regulation Relating to Verizon North, Inc., on the Fourteenth Anniversary Date

Annual Change to Verizon's Price Regulated Rates

The Commission directed staff to prepare a Final Decision which assigns Verizon neither a discretionary incentive nor a penalty and requires Verizon to decrease its revenues from price-regulated rates by an average of 0.31 percent.

The Commission directed the Telecommunications Division to draft an order consistent with its discussion.

The Commission directed the order be signed by the Secretary to the Commission on behalf of the Commission.

5911-RA-100 – Objection of Time Warner Cable Information Services (Wisconsin), LLC to Remainder/Advance and Telephone Relay Service Assessments

The Commission discussed the record in this docket and denied the objection to certain remainder assessments and telephone relay service assessments for fiscal years 2007 through 2009 filed on behalf of Time Warner Cable Information Services (TWCIS).

TWCIS failed to present any facts or adequate legal argument to support its objection that the assessments as billed were erroneous, excessive, unlawful or invalid. TWCIS' three preemption arguments are rejected because the record is uncontested as to the reasonableness of the Commission's federal activities, the inclusion of interstate activities in assessments does not create a fee unreasonably duplicative of the Federal Communications Commission (FCC) regulatory fees, and the assessments are akin to taxes expressly excluded from the scope of the FCC's *Vonage Order*. The challenged invoices are not unlawfully retroactive, but corrective. Since at least 1984, the liability for the assessment of interstate activities having intrastate Wisconsin operations has been in place and is a legal responsibility that TWCIS assumed when it secured certification.

The Commission directed staff to prepare a letter to TWCIS indicating its decision in this matter. The draft letter shall be brought back to the Commission for final review and approval.

Minutes and Informal Instructions of the Open Meeting of Thursday, July 30, 2009 Page 5

Upon final Commission approval, the letter will be sent to TWCIS by registered mail. TWCIS will then have ten days to make its payment. If TWCIS fails to pay within the ten-day period, collection procedures will then be considered as provided in Wis. Stat. § 196.85(4)(d).

The Commission adjourned the meeting at 9:40 a.m.

Sandra J. Paske Secretary to the Commission